

Status of Questions of Staff from URAP (Consolidated to eliminate duplicates)

Number	Staff's Recording of the Question	Full Question from Video Review	Requester	Date Requested	Last Date Updated	Status	Notes
1	12 months (actual costs)	Slide in Licette's presentation on financials shows 5 months of operations costs, if extrapolate to 12 months the amount is much less than the budgeted figures shown. We need to see actual historical cost figures, 12 months June 2016 (preliminary), 2014, 2015, alongside 17 projection and budget.	Starr - Littell and Lindholm concurred	1/25/2017	2/1/2017	Partial	Slides 11 & 12 from 2/1 presentation. However, see #39.
2	Prior year comparisons	this is part of question #1				----	
3	Vacancies in Public Works	Information about the vacancies, and whether that accounts for the difference between the 5-month actuals projected to 12 months vs. the budget.	Littell	1/25/2017	2/1/2017	Partial	Slides 14 & 15 from 2/1 presentation, on 2/1 requested follow-up of actual employee headcounts each year as well as vacancies. See #43.
4	Actual Costs incurred	this is part of question #1				----	
5	Revised full-year numbers, not just through November	this is part of question #1				----	
6	Detailed expenditures	this is part of question #1		1/25/2017			
7	3 years of comparison (FY 13-14, 14-15, 15-16, 16-17 projection)	this is part of question #1				----	
8	Models for internal services	Do you have the models that you use for the calculation of the "internal services" expenses shown in the financial slides?	Starr	1/25/2017			
9	Does City's debt coverage policy exceed requirements? (see also #16 and #32)	To what extent does the city's debt coverage policy exceed the requirements of the bond contracts?	Starr	1/25/2017	2/1/2017	Complete	provided language of city policies and bond contract language
10	Past reserves totals for City (see also #21)	In the past, has the city had reserves? What were those levels?	Lindsey	1/25/2017			
11	Pass throughs/Escalators (see also #13 and #27)	On slide 19 it lists pass-throughs. Aaron discussed what should or should not be a pass-through. Requested to see the draft language for the council ordinance to see what the pass-throughs are.	Starr	1/25/2017			
12	Inflation/Overview of Ordinance	this is part of question #11				----	
13	Pass through factors (see also #11 and #27)	this is part of question #11				----	
14	Discussion of volume/usage (see also #29)	We need a history of monthly volume history and a projection of presumed volumes for the future used in the model.	Starr	1/25/2017	2/1/2017	Complete	Slide 17 from 2/1 presentation
15	Rate Models – February 8th	Spreadsheet model for how the rates are calculated, and we need it before the 3rd meeting to have time to review it	Starr - Littell concurred with request for it before 3rd meeting	1/25/2017			
16	Layperson's explanation of debt coverage policy (see also #9 and #32)	When it comes to the 1.25 debt coverage policy, how does that relate to the reserves, so if in 5-10 years there are sufficient reserves, does the 1.25 ratio still get factored in?	Lindholm	1/25/2017	2/1/2017	Complete	provided language of city policies and bond contract language, discussed, Lindholm was absent so hopefully watches video
17	How are the funds being spent?	We all agree there should be a rate increase. It's just a question of how much and how is the money being used.	Hererra	1/25/2017			
18	How are we increasing efficiencies? (meter readers)	Explain what we are doing in an effort to improve our efficiencies. We have issues with our meter reading, some meters don't work, humans have to read it manually. How are we addressing this?	Littell	1/25/2017	2/1/2017	Partial	Slides 15 & 16 from 2/1 presentation, but no mention of meter reader problems

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19	How can URAP provide input?	What is the mechanism by which the URAP can provide substantive input about the rates? Or are you just going to come to us in a week and say, "Here are your rates". Can you tell us how much our recommendations will affect the rates	Starr	1/25/2017			
20	Starr submitted in writing	Provide financial statements for the wastewater funds for fiscal years ending 6/30/14, 6/30/15 and 6/30/16.	Starr	1/25/2017			
21	Starr submitted in writing	Provide a listing and breakdown of all WW reserve categories, not just operating reserves, for the fiscal years ending 6/30/14, 6/30/15 and 6/30/16. Describe their restrictions and limitations. (see also #10)	Starr	1/25/2017	2/1/2017	Complete	Slide 12 from agenda packet
22	Starr submitted in writing	Need access to draft rate model Excel workbook so that we can do live on-the-fly changes in the assumptions.	Starr	1/25/2017			
23	Starr submitted in writing	Historical operating and maintenance costs for the past 3 fiscal years (years ending 6/30/14; 6/30/15; 6/30/16), broken down to GL account level. Current YTD and projected amounts for FYE 6/30/17 and 6/30/18, broken down to GL account level. Compare to average of past 3 fiscal years. We will want to analyze the reasons for variances from the average.	Starr	1/25/2017			
24	Starr submitted in writing	Historical infrastructure transfer amounts to general fund for years ending 6/30/14; 6/30/15; 6/30/16. Current YTD and Projected amounts for FYE 6/30/17 and 6/30/18. Compare to average of past 3 fiscal years.	Starr	1/25/2017			
25	Starr submitted in writing	Historical amounts transferred to general fund for indirect overhead allocations (dept breakdown) for years ending 6/30/14; 6/30/15; 6/30/16. Current YTD and projected amounts for years ending 6/30/17 and 6/30/18. Compare to average of past 3 fiscal years. We will want to analyze the reasons for variances from the average and how the methodology has changed.	Starr	1/25/2017			
26	Starr submitted in writing	CIP listing w/ cost for each project and year of predicted expenditure.	Starr	1/25/2017	2/1/2017	Partial	costs were not for each project
27	Starr submitted in writing	Provide a list of pass-thru expenditure types. These ought to be limited to non-discretionary costs by third parties. (see also #11 and #13)	Starr	1/25/2017			
28	Starr submitted in writing	Sensitivity analysis for certain inputs. For example, a 10% increase in electricity costs results in an X% increase in operating costs; or a 10% increase in chemical costs results in a Y% increase in operating costs.	Starr	1/25/2017			
29	Starr submitted in writing	What are the monthly wastewater treatment volumes since July 2013? What are the assumed monthly forecasted volumes through June 2018? (see also #14)	Starr	1/25/2017	2/1/2017	Complete	Slide 17 from 2/1 presentation
30	Starr submitted in writing	For the most recent year ending 6/30/16, what would be the fixed costs, assuming zero wastewater operations?	Starr	1/25/2017			
31	Starr submitted in writing	For the most recent year ending 6/30/16, what would the total expenditures have likely been, assuming that the entire year's volume equaled only twelve times the lowest month's volume?	Starr	1/25/2017			

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32	Starr submitted in writing	What are the bond coverage requirements? How are rates impacted by the debt coverage policy, rather than the debt coverage ratio required by the city council's policy? (see also #9 and #16)	Starr	1/25/2017	2/1/2017	Partial	Addressed bond coverage requirements, not impact of council policy on rates
33	Starr submitted in writing	Are there other city council policies related to WW rates that impact costs?	Starr	1/25/2017	2/1/2017	Complete	provided language of city policies
34	Starr submitted in writing	Provide the current Draft Cost of Service report at the next meeting (Feb 1), noting the areas that will likely change. It is completely unreasonable for us to first see a report 1 day before the 3rd meeting.	Starr	1/25/2017			
35	Starr submitted in writing	Provide draft language for city council resolution/ordinance.	Starr	1/25/2017			
36		On slide #10 of Nava's presentation, there was an increase in debt service from \$2m to \$6m between FYE 12 and FYE 13. Nava said new bonds were issued. What CIP were those bonds for?	Littell, Starr	2/1/2017			
37		On slide #10 of Nava's presentation, what is driving the large jump in operating expenses from FYE 14 to FYE 15? Nava indicated next slide has greater detail and Throop would cover it. Slide #11 had a little more breakdown and Starr asked for written explanation of the changes.	Starr	2/1/2017			
38		Copy of the policy/resolutions adopted by the city council to implement the infrastructure transfer fee and to increase it in 2014.	Starr	2/1/2017			
39		Apples-to-apples comparison of categories of actual expenses on slide #11 vs. previous week's slide showing budget. Also depreciation is handled differently between the two. Also include FYE 17 projection with slide #11.	Starr, Herrera	2/1/2017			
40		Written description of the restricted purposes of the reserves.	Starr	2/1/2017			
41		On the large operating expense increase from FYE 14 to FYE 15, was any of that due to the GREAT program being funded by wastewater?	Eileen Tracy (public)	2/1/2017			
42		When they show us projections for FYE 17, break out the partial actuals so we can see if extrapolated evenly.	Starr	2/1/2017			
43		Provide historical employee headcounts and historical budgeted positions to go with the vacancy figures	Starr	2/1/2017			
44		When employees go out to test what industries are putting into the system, do we charge the industries for the service call?	Littell	2/1/2017			
45		How much of our CIP plan is based on lack of information as opposed to evidence demonstrating a need?	Starr	2/1/2017			
46		For seismic assessment, what criteria was used for analysis of replace vs. retrofit? Are they categorized as "essential" facilities which have a particular definition under structural engineering standards, or "non-essential" facilities?	Starr	2/1/2017			

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47		Did past Cost of Service Studies review the status of cathodic protection, given that we're past the 15-year expected lifetime of the anodes?	Starr	2/1/2017			
48		Are the figures in the CIP presentation based on the price tags in the master plan?	Starr	2/1/2017			
49		On slide #6 of the CIP presentation, the two items under "Reliability Improvements" seem to be the same as projects priced at \$5.9m in April 2016 on Starr Handout H-3. Why is this price tag \$7.6m?	Starr	2/1/2017			
50		On slide #6 of the CIP presentation, the "non-hazardous receiving station" is a new facility to accept sludge from septic tanks, porta-potties, RVs and boats. Where are these processed today in the absence of this facility?	Starr	2/1/2017			
51		On slide #6 of the CIP presentation, the new facility for a "non-hazardous receiving station" is categorized as a "renewal" project. How does that fit the definition from slide #3 as "renewal of facilities at high risk of failure due to age and condition"? Same question for FOG receiving station on slide #13.	Starr	2/1/2017			
52		On slide #8 of the CIP presentation, the \$7.8m project was priced at only \$5.2m in April 2016 on Starr Handout H-3. Why has there been a 50% increase?	Starr	2/1/2017			
53		Also on Starr Handout H-3, the project on slide #8 of the CIP presentation was supposed to be done in the first 5 years as a "stop-gap immediate repair need". What caused you to change your assessment to be a Year 6-10 project? In other words, how did we decide that this was no longer an immediate need?	Starr	2/1/2017			
54		On slide #9 of the CIP presentation, no separate price tag is shown here for the Biotowers item. On Starr Handout H-3, the April 2016 CIP list said it would cost \$2.1m including adding baffle walls to the AST. The master plan (PM 3.7.1) says that project would cost only \$1.15m (\$770k to demolish and \$380k to add baffle walls to AST) Why don't they match?	Starr	2/1/2017			
55		Slide #11 of the CIP presentation calls for a New Disinfection system. Master Plan (PM Summary, PDF-p. 97) seems to say this is in fair condition. Do we need a new disinfection system? Is this just to replace chlorine treatment with UV treatment for the benefit of the AWPf?	Starr	2/1/2017			
56		Slide #13 of the CIP presentation, the "Reliability Projects" have a larger price tag than the master plan. "Digester 2 cover and clean Digesters 1 & 3" priced at \$2.2m in the master plan (PM Summary). Belt Filter Press the master plan prices at \$2.2m. Those add up to \$4.4m, not \$5.13m. Why the price increase for replacement parts?	Starr	2/1/2017			
57		On slide #15 of the CIP presentation, the "EQ Basin pumping" says "transfer pumping system to AWPf". Should this be charged to wastewater utility or water utility?	Starr	2/1/2017			

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58		On slide #15 of the CIP presentation, how much is for the "Effluent Pump Station Rehabilitation"? Wasn't that scheduled to be done in 2013/2014? Starr Handout H-4, line 20 indicates this was part of the CIP in the 2009 Cost of Service. Did we do it then? If not, what was done with that money from the 2009 rate increases instead?	Starr	2/1/2017			
59		From slide #16 of the CIP presentation, Starr Handout H-4 line 23 shows the 2009 COSS called for "Plant Cogeneration Replacement" (\$13m in 2013, 2014). Starr Handout H-7 shows the 2012 COSS had the same description (\$7.3m in 2015 and 2016). The 2015 COSS now has \$17m in 2019-2022. The handout from Monday's plant tour said we could rebuild all three for \$1.2m. Are we being charged over and over for the same project, and why were the previous plans so much more expensive?	Starr	2/1/2017			
60		On slide #16 of the CIP presentation, can you describe the CMMS software and explain why it is useful? What happens if we don't have a CMMS system?	Starr	2/1/2017			
61		On slide #16 of the CIP presentation, for CMMS (preventive maintenance software, aka "Hansen software"), Starr Handout H-4 lines 12 & 30 show ratepayers were already charged \$406k in 2009 COSS to be done in 2010-11. Handouts H-7 and H-8 show ratepayers were charged \$200k in the 2012 COSS to be done in 2014. The 2015 COSS included \$250k for it. What was done with that money instead, and are you really going to do it this time if we raise rates for it a third time?	Starr	2/1/2017			
62		Given the quote from the Master Plan (PM 1.2.2, PDF-p. 20) about the Hansen CMMS software being too advanced for our employees, is this why we've not done preventive maintenance well? Is this a problem of unskilled employees or lack of training?	Starr	2/1/2017			
63		For the CIP projects, did you do cost-benefit analysis of each? Could we see the details of those calculations?	Rehbein	2/1/2017			
64		The numbers on slide #22 of the CIP presentation don't match the master plan. The slide totals \$2.82m. The master plan price tags add up to only \$2.1m. Why the increase?	Starr	2/1/2017			
65		The Central Trunk Manhole Reconstruction project on slide #22 of the CIP presentation, haven't the ratepayers already paid for this? Starr Handout H-4, line 4, shows the 2009 COSS included \$1.4m for Phase 1 in 2010 and 2011. Starr Handout H-7 shows the 2012 COSS included \$1m for Phase 1 in 2014 + \$1m for Phase 2 in 2013. The 2015 master plan includes it again for \$1.7m. What was done with that money before?	Starr	2/1/2017			

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66		On slide #23 of the CIP presentation, is the Rice Ave Sewer Main the same thing we have already been charged for twice previously? Starr Handout H-4 line 8 shows the 2009 COSS already included \$1.2m to be done in 2011 and 2012. Starr Handout H-7 shows 2012 COSS had \$1.4m to be done in 2014. The 2015 master plan prices it at \$1.3m. What was done with that money instead, and will you really do it this time?	Starr	2/1/2017			